



Medicare Education 2026

New to Medicare

MEDICARE SUPPLEMENTS & PART D PLANS

PRESENTATION #2 >

Resources: Ohio Senior Health Insurance Information Program |
Ohio Dept. Insurance | Presented by SourcePoint Insurance Specialist Team





What Are Medicare Supplements?

Also Known as **Medigap**



✓ Fills gaps in Original Medicare

Medigap **covers costs not paid by Medicare Parts A and B**, such as deductibles, copayments, and coinsurance, reducing out-of-pocket expenses.

✓ Employer or union retiree plans

Some retirees obtain supplemental **coverage from their former employer or union**, offering benefits beyond Original Medicare.

✓ Medicaid and Medicare Savings

Low-income individuals may be eligible for **Medicaid or Medicare Savings Programs** to assist with Medicare costs.

✓ Private insurance enrollment

Medigap plans, purchased from private insurers, require **monthly premiums** that are typically not deductible from Social Security.

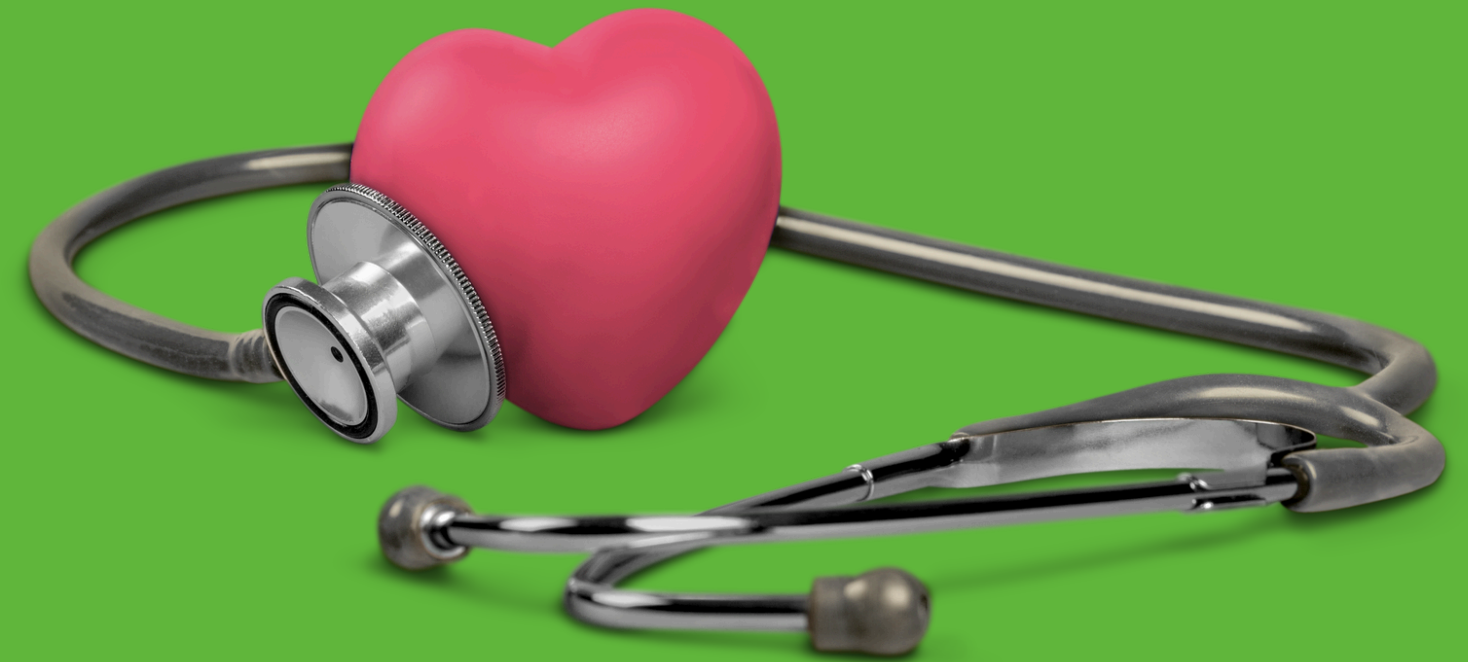


Medigap Plans & Enrollment Details



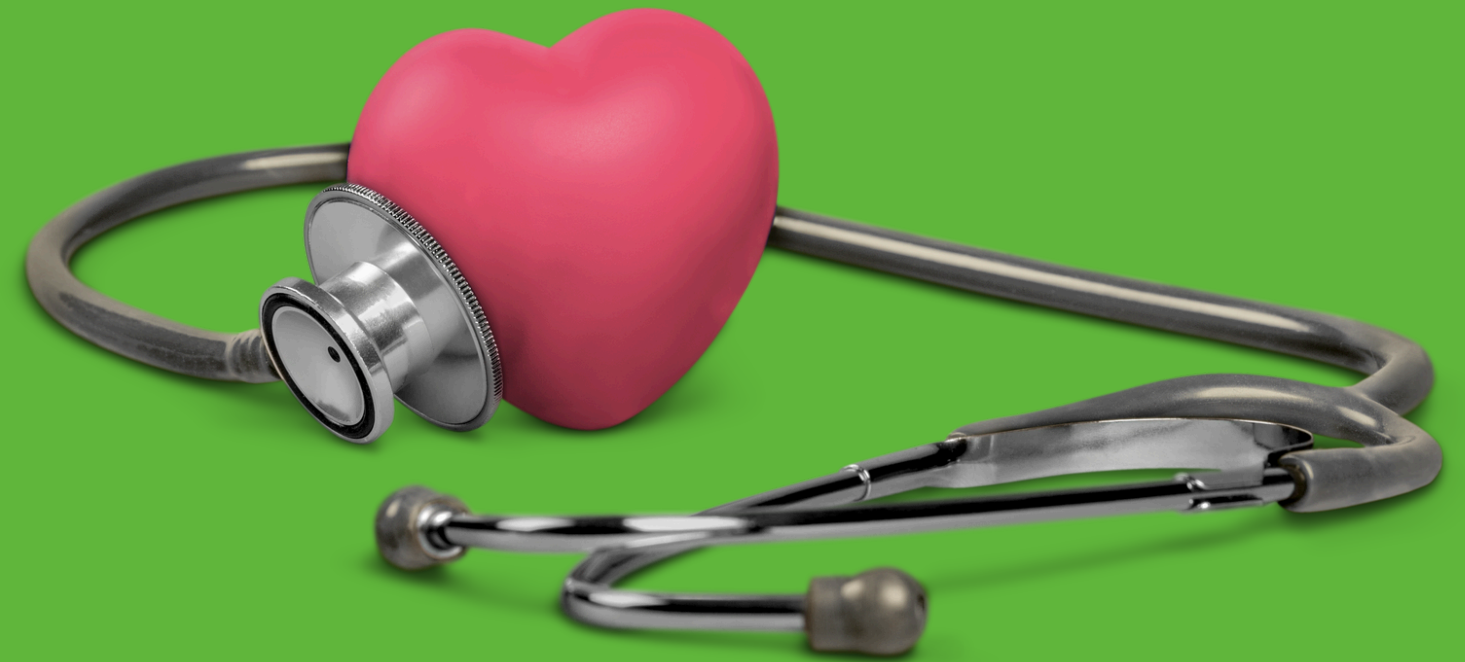
Standardized Plans

Plan benefits are consistent across all insurers, but **premiums vary by company and state.** This standardization ensures you know exactly what coverage you're getting.





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Available Plan Options

Plans available include A, B, D, G, K, L, M, and N. **No provider networks required**—if a provider accepts Medicare, you can use them without referrals.



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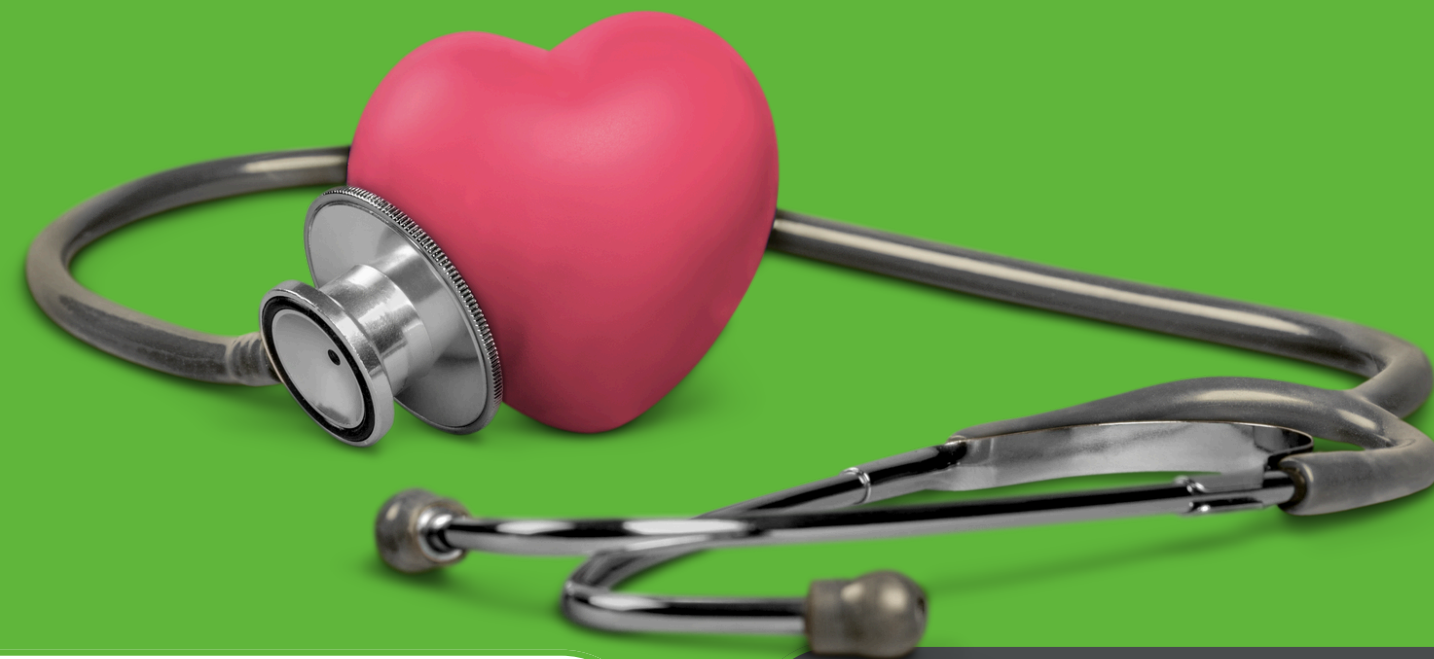


Guaranteed Issue Period

The best time to enroll is during your Guaranteed Issue period—**6 months from your Medicare Part B start date** at age 65 or older. Coverage applies nationwide in the U.S.



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Special Enrollment

Special enrollment is possible within **63 days after losing prior coverage through no fault of your own.** Limited options exist for those under 65 with disability.

Medigap Plan Comparison

| Benefits | A | B | D | G | K** | L** | M | N*** |
|--|------|------|------|------|------|------|------|------|
| Medicare Part A coinsurance and hospital costs (up to 365 days after Medicare benefits are used) | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Medicare Part B coinsurance or copayment | 100% | 100% | 100% | 100% | 50% | 75% | 100% | 100% |
| Blood (first 3 pints) | 100% | 100% | 100% | 100% | 50% | 75% | 100% | 100% |
| Part A hospice care coinsurance or copayment | 100% | 100% | 100% | 100% | 50% | 75% | 100% | 100% |
| Skilled nursing facility care coinsurance | | | 100% | 100% | 50% | 75% | 100% | 100% |
| Medicare Part A deductible | | | | | | | | |
| Medicare Part B excess charges | | | | 100% | | | | |
| Foreign travel emergency (up to plan limits) | | | 80% | 80% | | | 80% | 80% |

| **Out-of-pocket limit in 2026 | |
|-------------------------------|---------|
| \$8,000 | \$4,000 |





Medigap Plan Comparison

** For Plans K & L

Once you meet your annual out-of-pocket limit and pay the Part B deductible:

- Medigap Plan covers 100% all eligible services for the rest of the year.

** Out-of-pocket limit

\$8,000

\$4,000

*** For Plan N

Pays 100% of Part B coinsurance except:

- Office visit copayment of up to \$20.
- ER visit copayment may reach \$50 without inpatient admission.

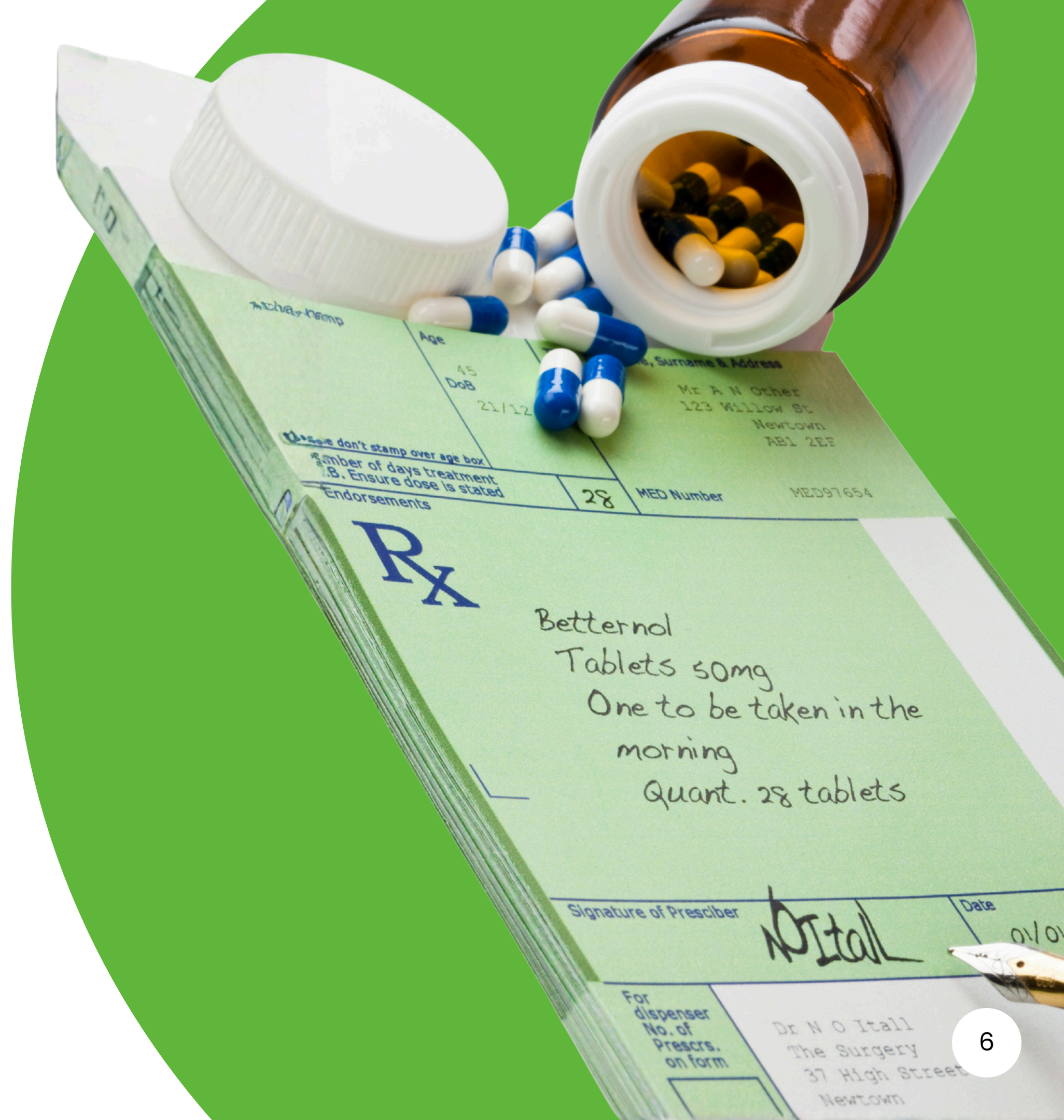




Medicare Part D

Prescription Drug Coverage

Everyone with Medicare is eligible for Part D. Medicare Part D offers prescription drug coverage via private insurers contracted with Medicare. Most beneficiaries should enroll unless they have credible employer or VA coverage. Premiums are often deducted from Social Security benefits.





Medicare **Part D**

Available in two ways:

1

Through a Stand-Alone
Prescription Drug Plan
(PDP)

2

Through a
Medicare Advantage Plan
(MADP)





Medicare Part D

Enrollment Periods

During Open Enrollment (Oct 15–Dec 7), you can **join, switch, or drop Part D plans**.

Reviewing your plan annually is essential as premiums, formularies, and your medications may change.

Compare plans tailored to your specific prescriptions at [Medicare.gov/plan-finder/](https://www.medicare.gov/plan-finder/).



Initial Enrollment

3 months before or after 65th birthday month

OR

Annual Open Enrollment

October 15–December 7

OR

Special Enrollment Periods

Special enrollment is possible within 63 days after losing prior coverage through no fault of your own. Limited options exist for those under 65 with disability.



The Three C's of Prescription Drug Plans



Convenience

Most PDPs utilize pharmacy networks, which provide the greatest savings. Mail order can also lower costs for 90-day supplies, and options can be mixed as needed.



Coverage



Cost



Compare plans tailored to your specific prescriptions at [Medicare.gov/plan-finder/](https://www.Medicare.gov/plan-finder/).



The Three C's of Prescription Drug Plans



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Coverage

Ensure your medications are on the plan's formulary to avoid full costs. **Review formularies annually**, as they can change, and inquire about alternatives.



Cost



Compare plans tailored to your specific prescriptions at [Medicare.gov/plan-finder/](https://www.Medicare.gov/plan-finder/).



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Cost

Generics cost less than brand-name drugs. Drugs in lower tiers (1-7) cost less.

Consider total cost:
Premiums + deductibles
+ copays.



Compare plans tailored to your specific prescriptions at [Medicare.gov/plan-finder/](https://www.Medicare.gov/plan-finder/).



Understanding Part D Costs

A higher premium doesn't guarantee better coverage. Use **Medicare.gov** for a personalized comparison based on your medications.

2026 Average Costs:

- ✓ Monthly Premiums. National Average \$38.99
- ✓ Annual Deductible: \$0-\$615
- ✓ Coinsurance & Copays: 25-50% or a flat copay
Based on formulary

- ✓ Out-of-Pocket Max: \$2,100
Note: Out-of-pocket maximum is applied automatically. Paid deductibles count toward the out-of-pocket max. Max only applies to **covered** prescription medications.



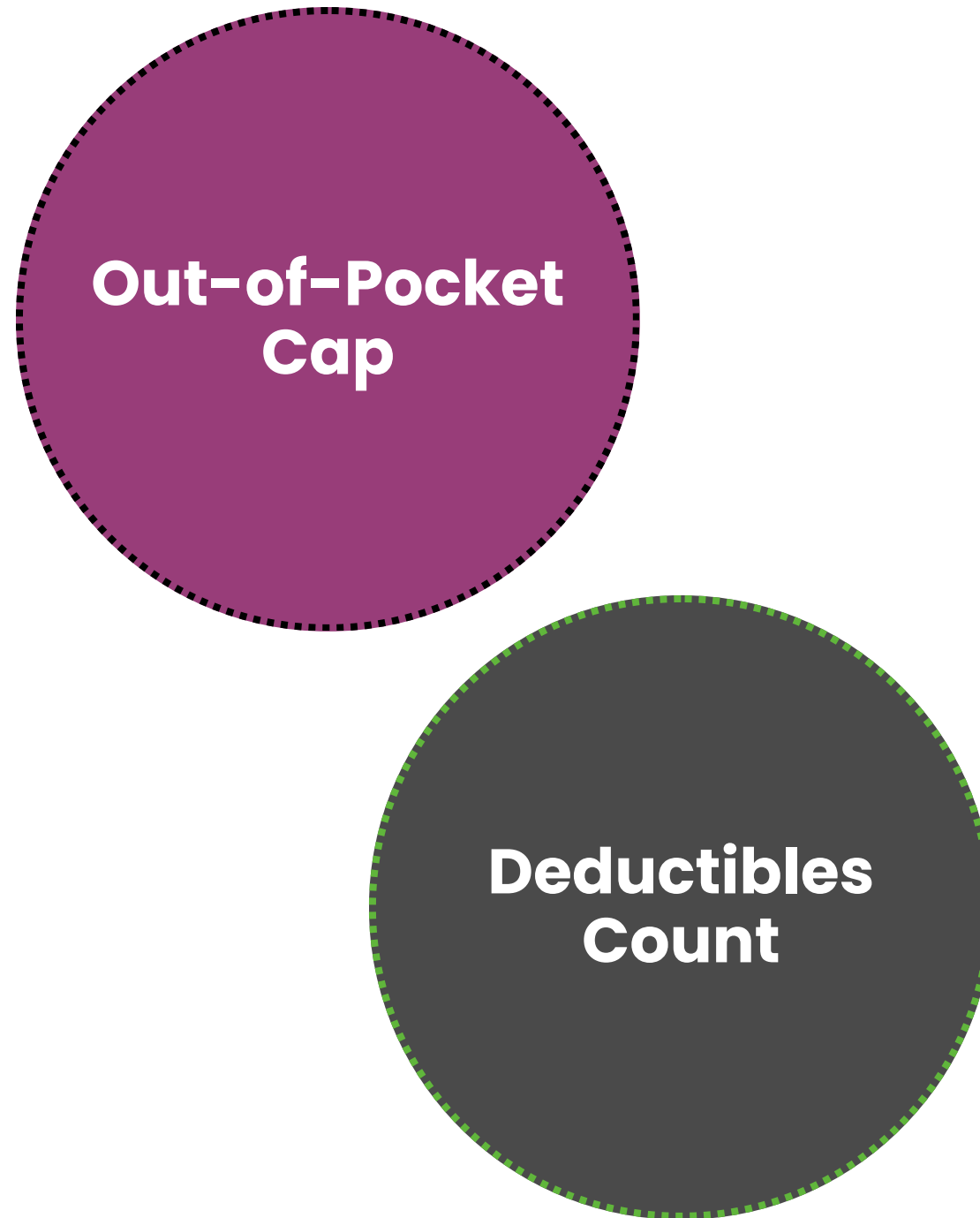
Part D deductibles and cost-sharing amounts can fluctuate each year. Therefore, it's essential to review the specifics of your plan on an annual basis.



2025 Changes



The coverage gap, commonly known as the "donut hole," has been replaced by an annual **out-of-pocket cap for Part D prescription drugs**. This cap applies automatically through your carrier, providing predictable maximum spending limits for the year.



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- ✓ **Your deductible payments count** toward the out-of-pocket maximum, and only covered medications apply toward the cap.






**Out-of-Pocket
Cap**

**Out-of-Pocket
"Smoothing"
Payment Plan**

**Deductibles
Count**

2025 Changes

-  The coverage gap, commonly known as the "donut hole," has been replaced by an annual **out-of-pocket cap for Part D prescription drugs**. This cap applies automatically through your carrier, providing predictable maximum spending limits for the year.
-  **Your deductible payments count** toward the out-of-pocket maximum, and only covered medications apply toward the cap.
-  A new out-of-pocket "smoothing" option, known as the **Medicare Prescription Payment Plan**, allows you to spread prescription costs throughout the year, aiding budgeting. There are no associated fees or interest. Enrollment is through your insurance carrier. Opting in early helps distribute costs more evenly.



Medicare Part D

Key Considerations

Understanding the key factors when selecting a Part D plan helps you **make informed decisions**.

- Each plan's cost structure differs
- Late enrollees may incur a 1% penalty for each month of delay
- Extra help is available for those with limited income & resources



Medicare Part D

Substitutions

Part D plans may substitute a newly available generic for a brand-name drug on the same or lower cost tier. This substitution is often done without advance notice to beneficiaries.

Plans may provide a General Notice that mid-year generic substitutions may occur. You may be notified after the fact.

Plans using the General Notice must provide a 30-day supply of the brand-name drug **if you request it.**

You can also **request a formulary exception** if the generic doesn't work for you.

Monitor plan notices and communicate with your plan or doctor to manage medication changes effectively.



- ➔ **Substitutions often occur without prior notice**
- ➔ **You may request a 30-day brand supply**
- ➔ **Exception requests may be granted**



Questions?

SourcePoint provides a variety of free insurance education classes and workshops. Learn more at **MySourcePoint.org/insurance** or call 740-363-6677 to enroll.

More Resources:

OSHIIP | 1-800-686-1578 | insurance.ohio.gov

Medicare | 1-800-MEDICARE | medicare.gov

Social Security Administration | 1-800-772-1213 | ssa.gov





Next Step:

KNOWLEDGE CHECK #2!



To schedule a one-on-one insurance consultation, you must watch **all 3 presentations** and complete the knowledge checks.